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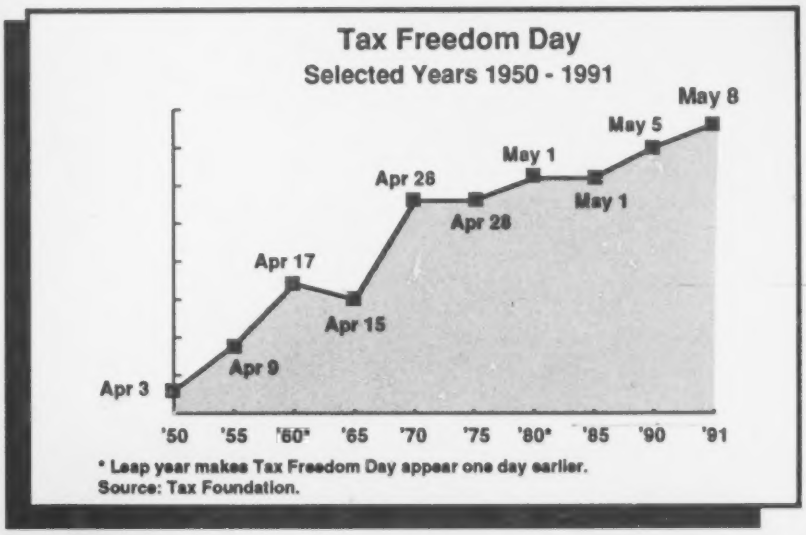
Tax Features

Tax Freedom Day 1991 Is May 8 — Latest Date Ever

State Tax Freedom Days Range from April 24 to May 26

As Americans scrambled to comply with the April 15 IRS filing deadline, they may have thought they would be free from the tax collector at the end of the day, but Tax Freedom Day doesn't come until May 8 this year. The Tax Foundation has calculated that to be the day when the American taxpayer will have earned enough money to pay this year's total taxes.



That means the average taxpayer will labor 128 days — from January 1 to May 8 — to satisfy all federal, state and local tax obligations, with every cent earned from the beginning of the year going to the tax collectors. Finally, on May 8, he will heave a sigh of relief and start pocketing some of his hard-earned money.

May 8th is the latest Tax Freedom Day ever. Last year this task required 125 days and Tax Freedom Day fell on May 5th. The three-day lengthening of our labor for government is the largest jump since 1976, and the Tax Foundation attributes it to several important factors:

- Last year's budget agreement, the Om-

See Tax Freedom Day on page 3

Tax Foundation

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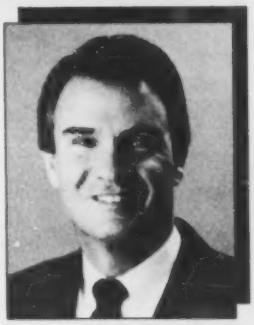
FRONT BURNER

Give the Average Taxpayer an Even Break



Senator John Breaux

Once again, tax time has come and, as usual, typical American taxpayer have gritted their teeth and written their tax checks to the IRS for 1990's taxes. Taxpayers may have a feeling that they have paid their debt to government, but they would be wrong. Not until Tax Freedom Day on May 8, when average taxpayers have earned enough to pay 1991's taxes, will government be temporarily satisfied.

A Tax Freedom Day of May 8 means that 35.1 percent of each dollar an average taxpayer earns is taken in taxes. That is a sobering reminder of our citizens' growing tax burden, not just from the federal government but at the state and local levels as well. And as bad as a Tax Freedom Day of May 8 is, the Tax Foundation's calculations use total revenues, not total expenditures. Leaving out the deficit makes sense for calculating tax burdens, but it must be taken into account when assessing the overall economy.

While historically massive deficits have been run up during the 1980s, the real average weekly wage for non-supervisory workers, who make up 80 percent of the work force, declined. During this same time, studies show that fewer and fewer middle-class Americans were able to send their children to college or buy a first home.

This encroachment on the American dream is in large measure due to the borrow-and-spend habits of the 1980s. Money which could be used for pressing needs — educating and training workers and students, repairing our infrastructure, cleaning the environment —

See Breaux on page 2

Senator John Breaux, Democrat from Louisiana, serves on the Senate Finance Committee.

The opinions expressed in the Front Burner are not necessarily those of the Tax Foundation. Editorial replies are encouraged.

Breaux from page 1

now goes to the ever-increasing interest on the national debt.

There are many ways we can start reversing this trend and begin helping those Americans who need tax relief the most. Here, I propose just four:

1) Let's get serious about reducing government spending.

Every couple of years, Congress and the President emerge from their negotiations with a landmark deficit reduction plan, but each year the deficit continues to grow. It's no wonder Americans are so cynical about government when their leaders seem to put on a smoke-and-mirrors show for them every year.

"Money which could be used for pressing needs — educating and training workers and students, repairing our infrastructure, cleaning the environment — now goes to the ever-increasing interest on the national debt."

The truth is this: There is no easy way out of this budget mess. Washington must simply set aside the gimmicks and the partisan and parochial interests. We must get down to the business of cutting spending, while insuring that everyone pays his or her fair share. The deficit won't come down until our leaders become courageous enough to make some tough and unpopular choices. Furthermore, the American public won't regain its confidence in Washington until they believe they are getting their money's worth from their government.

"Every couple of years, Congress and the President emerge from their negotiations with a landmark deficit reduction plan, but each year the deficit continues to grow. It's no wonder Americans are so cynical about government."

2) Every government program should be forced to defend its usefulness.

We must recognize that some of the huge government entitlement programs are not necessarily sacred. Why don't we reauthorize these programs every five to ten years? Let's force the administrators and advocates of these programs to prove they are working and are giving the American taxpayer what he's paying for. If a program is a waste of money or is failing to work as intended, why should taxpayers continue to pay for it?

"Every government program should be forced to defend its usefulness. . . . If a program is a waste of money or is failing to work as intended, why should taxpayers continue to pay for it?"

3) We should give taxpayers back the Individual Retirement Account.

I support a measure to create a "Super" Individual Retirement Account which would allow Americans to use the money, not only for retirement, but for buying a first home, a child's college education or for large medical expenses. This legislation would also restore the annual $2,000 IRA deduction for every taxpayer. This was one of the most popular middle-class government programs ever, but one of the first to go during the tax reform debate in 1986.

4) We must stop taxing away the funds that average families need to properly raise and educate their children.

We should double the tax deduction for young children of moderate and middle-class families. In addition, we should increase the personal exemption to what it once was — a real tax break for average Americans.

"We should increase the personal exemption to what it once was — a real tax break for average Americans."

More than forty years ago, families with two children earning the median income received so many tax breaks through the personal exemption that they paid just two percent of their income in federal, state and Social Security taxes. By 1990, those families paid 23 percent of their income in the same taxes. Today, a horse breeder gets more tax breaks on his horses than parents get on their children. Clearly, it's time to rearrange our priorities.

"Forty years ago, families with two children earning the median income paid just two percent of their income in federal, state and Social Security taxes. By 1990, those families paid 23 percent of their income in the same taxes."

Middle-class Americans are paying more and more taxes and are definitely not getting their money's worth. Who can blame them for being angry when they believe that much of their tax money is wasted on inefficient government programs?

Washington had better start listening to the middle-class. They don't have high-powered lobbyists or political action committees, but they do have the most votes.

Now Available

Two New Tax Foundation Special Reports:

"Tax Freedom Day 1991 Is May 8"

by Paul G. Merski

6 pp. $10 + $2 p/h; members: $5

and

"Fiscal Survey of the States"

by Paul G. Merski and Gregory Leong

8 pp. $10 + $2 p/h; members: $5

Tax Freedom Day from page 1

nibus Budget Reconciliation Act of 1990, will extract $164 billion in new revenues over five years.

- The January 1, 1991, increases in the Social Security taxable earnings base.
- Many state and local taxes have increased sharply.
- The slowdown in economic growth and individuals' income growth.

The nation's nominal income is estimated to grow only 3.7 percent while the total tax take is projected to increase 6.6 percent. Stated simply, tax increases will easily outpace the growth in individuals' incomes during 1991.

Tax Freedom Day by State

While Tax Freedom Day is May 8 nationwide, each state has its own specific Tax Freedom Day which falls earlier or later in the year depending on local tax and income circumstances (see table 1 and map).

New Yorkers won't celebrate Tax

See Tax Freedom Day on page 4

Table 1
Tax Freedom Day by State
Calendar Years 1990 – 1991

	Tax Freedom Day 1990	Tax Freedom Day 1991	Change from 1990 to 1991
U.S. Total	May 5	May 8	3
Alabama	April 21	April 25	4
Alaska	May 11	May 11	0
Arizona	May 2	May 7	5
Arkansas	April 22	April 26	4
California	May 3	May 7	4
Colorado	April 28	May 2	4
Connecticut	May 11	May 17	6
Delaware	May 18	May 21	3
Dist. of Columbia	May 21	May 26	5
Florida	May 2	May 4	2
Georgia	April 27	May 3	6
Hawaii	May 16	May 16	0
Idaho	April 25	April 28	3
Illinois	May 6	May 9	3
Indiana	April 28	May 2	4
Iowa	May 5	May 7	2
Kansas	May 1	May 5	4
Kentucky	April 25	April 29	4
Louisiana	April 28	May 4	6
Maine	May 6	May 8	2
Maryland	May 8	May 11	3
Massachusetts	May 3	May 8	5
Michigan	May 8	May 12	4
Minnesota	May 13	May 14	1
Mississippi	April 19	April 24	5
Missouri	April 25	April 28	3
Montana	May 6	May 4	-2
Nebraska	May 1	May 7	6
Nevada	May 9	May 8	-1
New Hampshire	April 23	April 29	6
New Jersey	May 9	May 14	5
New Mexico	May 4	May 7	3
New York	May 23	May 26	3
North Carolina	May 1	May 3	2
North Dakota	May 5	May 6	1
Ohio	May 1	May 6	5
Oklahoma	April 28	May 2	4
Oregon	May 5	May 10	5
Pennsylvania	May 3	May 7	4
Rhode Island	May 9	May 12	3
South Carolina	April 26	May 1	5
South Dakota	April 28	April 28	0
Tennessee	April 25	April 29	4
Texas	May 2	May 5	3
Utah	May 2	May 1	-1
Vermont	May 11	May 10	-1
Virginia	April 28	May 2	4
Washington	May 9	May 10	1
West Virginia	April 25	May 1	6
Wisconsin	May 8	May 11	3
Wyoming	May 2	May 6	4

Source: Tax Foundation

Tax Freedom Day by State
Calendar Year 1991

WA May 10 #14
OR May 10 #15
CA May 7 #22
ID April 28 #47
NV May 8 #17
MT May 4 #31
WY May 6 #28
UT May 1 #40
AZ May 7 #21
CO May 2 #38
NM May 7 #20
ND May 6 #27
SD April 28 #46
NE May 7 #25
KS May 5 #29
OK May 2 #37
TX May 5 #30
MN May 14 #9
IA May 7 #23
MO April 29 #48
AR April 26 #49
LA May 4 #33
WI May 11 #11
IL May 9 #16
MS April 24 #51
MI May 12 #8
IN May 2 #36
KY April 29 #43
TN April 29 #45
AL April 25 #50
OH May 6 #26
WV May 1 #42
GA May 3 #35
FL May 4 #32
SC May 1 #41
NC May 3 #34
VA May 2 #39
PA May 7 #24
NY May 28 #1
VT May 10 #13
NH April 29 #44
ME May 8 #19
MA May 8 #18
RI May 12 #9
CT May 17 #4
NJ May 14 #7
DE May 21 #3
MD May 11 #12
DC May 26 #2
AK May 11 #10
HI May 16 #5
May 9 or later
May 8 or earlier

Source: Tax Foundation

Tax Freedom Day from page 3

Freedom Day until May 26th this year, later than residents of any other state. The culprit is a combination of a heavy federal tax burden and high state/local taxes. District of Columbia taxpayers shoulder the next heaviest overall tax burden, followed by taxpayers in Delaware, Connecticut and Hawaii.

Mississippi will be the first state to finish paying for government this year—its Tax Freedom Day is April 24th. Alabama and Arkansas will follow on April 25th and 26th, and citizens of South Dakota, Idaho and Missouri will celebrate on April 28th.

Tax Freedom Day Outlook

Although the average American will work until May 8 to afford his tax bill, forfeiting over 35 percent of his total income in 1991, the government will spend all that money and more. It should be noted that Tax Freedom Day does not reflect the estimated $318 billion in federal deficit spending for 1991. That will be felt through future increases in the tax burden and/or a weaker economy.

Working a record 128 days until May 8 to pay off the tax collectors may come as a shock to many Americans. However, the combined pressures of a persistent federal budget deficit, demands to expand funding for new and existing programs, budget crises in numerous states and the slowdown in income growth could easily make Tax Freedom Day even later on our calendars in future years.

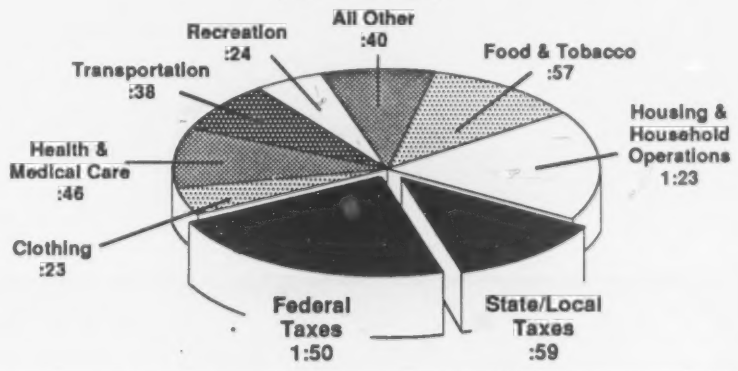
Tax Bite in the 8-Hour Day

Another way to graphically express the tax burden's effect on the average worker's paycheck is the Tax Bite in the Eight-Hour Day. In 1991, Tax Foundation analysts estimate that the average worker will spend 2 hours and 49 minutes of an 8-hour day working to satisfy federal, state and local tax collectors — five minutes more each day than in 1990. One hour and 50 minutes will go towards federal taxes while 59 minutes will be devoted to state and local taxes.

With a record-setting chunk of the day, 2 hours and 49 minutes, spent working for taxes, the average worker has less to spend on the rest of the family budget (see pie chart for breakdown and table 2 for historical data).

1991 Tax Bite in the Eight-Hour Day

(hours:minutes)



Tax Bite in the Eight-Hour Day

1990-1991

	(hours:minutes) 1990	1991
Total Taxes	**2:44**	**2:49**
Federal	1:47	1:50
State and Local	:57	:59
Total Personal Consumption Expenditures	**5:16**	**5:11**
Housing and Household Operations	1:26	1:23
Food and Tobacco	:58	:57
Health and Medical Care	:44	:46
Transportation	:39	:38
Recreation	:24	:24
Clothing	:24	:23
All Other	:41	:40
8-Hour Day	**8:00**	**8:00**

Table 2

Tax Freedom Day and Tax Bite in the 8-Hour Day

Selected Calendar Years 1929 – 1991

Year	Tax Freedom Day	Tax Bite in the Eight-Hour Day (Hours:Minutes)
1929	February 9	1:52
1931	February 15	1:00
1933	March 5	1:24
1935	March 1	1:17
1937	March 6	1:24
1939	March 6	1:24
1940*	March 8	1:29
1941	March 17	1:40
1942	March 19	1:43
1943	April 6	2:06
1944*	March 30	1:58
1945	April 1	1:59
1946	March 31	1:57
1947	April 3	2:01
1948*	March 28	1:55
1949	March 24	1:48
1950	April 3	2:02
1951	April 10	2:11
1952*	April 10	2:12
1953	April 10	2:12
1954	April 6	2:05
1955	April 9	2:09
1956*	April 11	2:13
1957	April 13	2:14
1958	April 10	2:12
1959	April 14	2:16
1960*	April 17	2:22
1961	April 18	2:22
1962	April 18	2:21
1963	April 19	2:23
1964	April 15	2:18
1965	April 15	2:17
1966	April 18	2:21
1967	April 20	2:24
1968*	April 25	2:32
1969	May 1	2:38
1970	April 28	2:34
1971	April 25	2:31
1972*	April 29	2:36
1973	April 29	2:36
1974	May 3	2:41
1975	April 28	2:35
1976*	May 1	2:40
1977	May 3	2:41
1978	May 3	2:41
1979	May 3	2:41
1980*	May 1	2:39
1981	May 4	2:43
1982	May 3	2:41
1983	April 30	2:38
1984*	April 28	2:36
1985	May 1	2:38
1986	May 2	2:40
1987	May 4	2:43
1988*	May 3	2:43
1989	May 4	2:44
1990	May 5	2:44
1991e	May 8	2:49

Source: Tax Foundation.

* Leap year makes Tax Freedom Day appear a calendar day earlier.

Survey Reveals Record State Tax Increases Slated For FY1992

A forthcoming Tax Foundation survey of the 50 states reveals that nearly half of them will wrestle with record deficits in FY1992 and plan to combat them with new and higher taxes. Of the $11.8 billion in new taxes already proposed or passed, five states account for 83 percent of the revenue: California, Connecticut, New Jersey, Pennsylvania and Texas. Since they all have constitutional or statutory balanced budget requirements, the tax-raising and budget-cutting fights of the past several years may prove to have been skirmishes before the battle that's shaping up in FY'92.

Two symptoms of the nationwide recession, low corporate profits and sluggish personal consumption, have made a mockery of state revenue estimates. While some states plan to limp by with measures such as accelerating tax collections, increasing fees, eliminating tax credits and extending temporary tax hikes, the magnitude of anticipated budget shortfalls has caused many to tap the big three state revenue sources — sales, individual and corporate income taxes — with a heavy emphasis in some states on tobacco excises.

On the personal income tax front, more than a third of the states have tax hikes on the drawing board that will net $6.6 billion. Connecticut and Tennessee, which currently tax primarily interest and dividend income, are eyeing broad-based taxes. Texas, one of only seven states which share the distinction of having no individual income tax, has plans that would reduce this select group to six. New Jersey and Rhode Island enacted increases in June 1990 and February 1991 respectively, effective in FY'92, and two more states, Kansas and Vermont, are seeking rate increases. Arkansas and South Carolina are alone in proposing reductions in personal income taxes by either narrowing the base or lowering the rate.

Businesses are the next most popular target for state tax raisers this year as 19 states plan to extract $2.5 billion in FY'92 revenue from them. Five states — Arkansas, Kansas, Kentucky, New Hampshire, Pennsylvania, Minnesota, Oregon, and Wisconsin — are seeking higher rates or broader bases. Rhode Island has imposed an 11 percent business corporation surtax for investment companies in addition to the basic business corporation tax, and New York joins Illinois in considering permanent extensions of expiring increases. Texas would replace the corporate franchise tax with an 8 percent income tax.

On the other hand, Arkansas, Connecticut, and West Virginia are planning reductions in corporate rates. Connecticut would replace the 20 percent corporate surcharge with an 11.5 percent effective rate.

For data on sales taxes, excise taxes and other changes, see accompanying tables at left and on page 6.

Proposed Fiscal 1992 Net Tax Increases by Major Type of Tax

($ Millions)

Tax	Net Amount
Personal Income	$6,487.0
Business	2,459.4
Sales and Use	629.5
Motor Fuel	724.6
Cigarette and Tobacco	423.2
Alcoholic Beverage	205.6
Property	-560.0
Miscellaneous	1,193.5
Total	$11,762.8*

* Includes $200 million from Illinois that will be a combination of personal income and business.

Source: Tax Foundation.

FOUNDATION MESSAGE

State Tax Picture Augurs Poorly for Future Tax Freedom Days

Dan Witt
Executive Director

As stories in the *Boston Globe*, the *Detroit Free Press*, on CNN Headline News, ABC's World News This Morning, and CNN's Crossfire attest, the public is interested in a comprehensible measure of our tax burden. That's what Tax Freedom Day is all about.

Due to the way governments at all levels nickle and dime the taxpayer, it is nearly impossible to grasp the extent of all taxes. Most Americans are astonished to hear that they will have to work 128 days — from January 1 to May 8 — just to pay taxes. This labor for government is the longest ever, and Tax Freedom Day's three-day increase over 1990 is the biggest jump since 1976.

Of course, federal taxes play the lead role in the growing tax burden, but I'd like to focus on the sharp increases in state and local taxes.

Everyone knows the old saying that "New York is a nice place to visit, but you wouldn't want to live there." Unfortunately for taxpayers who already live there, Tax Foundation research shows New Yorkers paying the highest taxes in the country. They won't celebrate Tax Freedom Day until May 26th this year — two and a half weeks later than the national average — thanks in great measure to state and local taxes that are higher than any other state's.

Is New York lowering its taxes in recognition of its citizens' heavy burden? Just the opposite: a scheduled personal income tax reduction was cancelled last year due to a budget shortfall. And New York is not the only state facing a budget crisis and reacting by raising taxes. The Tax Foundation's fiscal survey of the 50 states reveals that over half the states are planning new and higher taxes. California, Connecticut, New Jersey, Pennsylvania, and Texas, have all proposed or passed large tax increases for FY'92.

As taxpayers contemplate new state-level taxes, a snapshot of their total tax burden, even as simple as the one that Tax Freedom Day state-by-state provides, enables them to make more informed decisions. And educating taxpayers, helping them make more informed decisions about taxes, is what the Tax Foundation is all about.

Fiscal 1992 Revenue Proposals by Type of Revenue and Net Increase or Decrease

($Millions)

State	Personal Income Taxes	Business Taxes	Sales and Use Taxes	Motor Fuels Taxes	Tobacco Taxes	Alcohol Taxes	Property Taxes	Miscellaneous Taxes	Total Net Revenue
Alabama									
Alaska									
Arizona									
Arkansas	-14.2	12.0	159.0	86.8	3.0				246.6
California*	80.0	290.0	384.0			190.0		823.0	1,767.0
Colorado									
Connecticut	2,073.0	-55.0	-933.0	30.5				-526.0	589.5
Delaware									
Florida									
Georgia	-30.0								-30.0
Hawaii				67.1					67.1
Idaho				36.0					36.0
Illinois*									200.0
Indiana									
Iowa	71.0								71.0
Kansas*	6.5	109.0	13.3						128.8
Kentucky	350.0	45.0	200.0						595.0
Louisiana									
Maine									
Maryland	32.0		45.6		12.5				90.1
Massachusetts									
Michigan									
Minnesota	36.1	2.7			79.7	11.0		-0.1	129.4
Mississippi									
Missouri*		85.0			21.0				106.0
Montana	10.0				2.8				12.8
Nebraska									
Nevada		120.0							120.0
New Hampshire		8.0							8.0
New Jersey*	1,335.0	1,040.0					-560.0		1,815.0
New Mexico	6.3	10.0	11.0						27.3
New York	400.0	45.0	81.0	500.0				90.0	1,116.0
North Carolina*			242.0			4.6			246.6
North Dakota					1.5			1.0	2.5
Ohio*			97.0						97.0
Oklahoma									
Oregon	4.0	8.0							12.0
Pennsylvania		334.0	288.0		300.0			773.0	1,695.0
Rhode Island	101.2	5.0		4.2					110.4
South Carolina*	3.3							1.5	4.8
South Dakota									
Tennessee									
Texas	2,000.0	400.0							2,400.0
Utah									
Vermont	22.8		38.1		2.7				63.6
Virginia									
Washington									
West Virginia*		-2.2						-1.5	-3.7
Wisconsin		2.9	3.5					24.6	31.0
Wyoming									
Dist. of Columbia								8.0	8.0
Totals	$6,487.0	$2,459.4	$629.5	$724.6	$423.2	$205.6	($560.0)	$1,193.5	$11,762.8

California - Some local revenues included. Miscellaneous revenues include revision of license fee depreciation schedule.
Illinois - Proposal plans to indefinitely extend expiring increases in personal and corporate income tax rates.
Kansas - Revenues of $109 million are net of $8.5 million loss in revenues from a change in retirement income taxation.
Missouri - Changes in individual income and sales taxes also proposed.
New Jersey - FY92 revenue impact estimates from tax increase in 1990. Homestead rebates provide property tax relief.
North Carolina - 1/2 cent local options sales tax to replace current state appropriations for local governments. Alcohol revenue due from license fee increase.
South Carolina - Personal income revenue includes a $6.7 million reduction in revenues from phasing down the income tax rate under past legislation. Revenues will increase $9.4 million due to the repeal of the capital gains exclusion.
Ohio - Revenues generated from the elimination of auto sales tax exemptions, capping of revenues distributed to local governments, and the elimination of discounts for early sales tax payments.
West Virginia - Reductions in corporate income tax rate and utility tax are part of a phase down reductions from earlier legislation.
Source: Tax Foundation. Data compiled from state survey of revenue departments, legislative officials, and governors' offices.

Rebuilding the U.S. Industrial Base:
The Role of Tax Policy in Economic Growth

Wednesday, May 22, 1991 at The Washington Court Hotel in Washington, D.C.

Registration/Light Fare	**12:00 p.m.**	**Atrium Room**
Conference Sessions	**12:30 – 5:00 p.m.**	**Atrium Room**
Cocktail Reception	**5:15 p.m.**	**Sagamore Hill**

- Direct any questions about the conference to Gretchen Georgiadis at 202-863-5454. FAX 202-488-8282.
- Reservations should be received by Monday, May 20, 1991.
- The Washington Court is located at 525 New Jersey Ave., N.W., Washington, D.C. 20001-1527. (202)-628-2100.

12:00 Registration (light fare)

12:30 Welcome: Dan Witt, Executive Director, Tax Foundation

Keynote Address: Lawrence B. Lindsey, Special Asst. to thePresident for Policy Development & Assoc. Director for Domestic Economic Policy

1:00 ***Assessing Pro-Growth Tax Policies for 1991 and Beyond***

Moderator: Leif H. Olsen
President
Leif H. Olsen Associates, Inc.
Former Chief Economist – Citibank

Congressman Richard T. Schulze (R-PA)
House Ways and Means Committee

William C. Dunkelberg
Dean of the School of Bus. & Management
Temple University

Van McMurtry
Chief Counsel - Majority
Senate Committee on Finance

Charles Hahn
Assistant Tax Director
Dow Chemical Company

2:15 ***Are U.S. Tax Policies Impeding Transborder Investment?***

Moderator: Catherine Porter
Partner
Miller & Chevalier

Congressman Robert T. Matsui (D-CA)
House Ways and Means Committee

Alan J. Lipner
Sr. Vice President - Corporate Taxes
American Express Company

Marlin Risinger
Associate International Tax Counsel
Department of the Treasury

Edmund K. Harding
Manager, Tax Planning & Litigation
Xerox Corporation

George N. Carlson
Director of the Economic Analysis Group
Arthur Andersen & Co.

3:30 Coffee Break

3:45 ***Rejuvenating Service Sector Strength (Financial/Real Estate/ Insurance/Retail)***

Lawrence A. Kudlow
Chief Economist
Bear Stearns & Company

Henry Ruempler
Director of Tax & Accounting
American Bankers Association

Jane G. Gravelle
Senior Specialist in Economic Policy
Congressional Research Service

5:15 Cocktail Reception

Reservation Form

Name: _____

Company: _____

Address: _____

_____

City: _____ State: _____ Zip: _____

Telephone: _____ FAX: _____

Please return reservation form with payment to:

Tax Foundation
470 L'Enfant Plaza, S.W.
Suite 7400
Washington, DC 20024
FAX: 202-488-8282
Attn: Gretchen Georgiadis

Conference Fee: Member/$100, Non-Member/$125

Congressional and Executive Branch Staff and Media complimentary.
A check made payable to the **Tax Foundation** in the amount of $ _____ is enclosed.

Foundation's Message Heard Across the Nation

St. Louis Membership Briefing Features Foundation Co-Chairman James C. Miller III

Monsanto Company, a Tax Foundation member since 1943, hosted the latest in a series of luncheons for Foundation members and guests at the St. Louis Club on April 2. Tax Foundation co-chairman James C. Miller III spoke to the group of chief financial officers and senior tax executives.

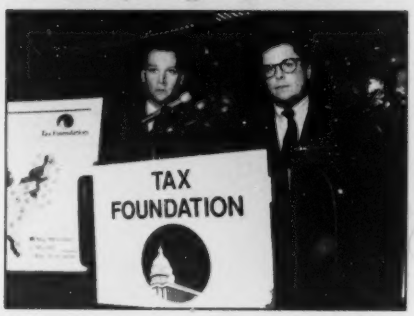
Miller, director of the Office of Management and Budget from 1985 to 1988, gave an interview after the luncheon about his federal budgeting experiences to *St. Louis Post-Dispatch* business reporter David Nicklaus, who featured the interview in his April 5 column on the front page of the business section.

Miller predicted that the five-year budget plan signed into law last October by President Bush would break down in fiscal year 1993. In that year, deep cuts are scheduled to go into effect, after two years of steep increases in federal taxing and spending.

The briefing included representatives from such firms as Emerson Electric, General Dynamics, ITT Financial Corp., The May Cos., Mercantile Bancorporation, Ralston Purina, Southwestern Bell, Union Electric, and United Van Lines.

Tax Freedom Day Press Conference in Washington, DC

Dan Witt uses the Foundation's state-by-state Tax Freedom Day analysis to explain how citizens face different tax burdens.



Dan Witt (r.) and Paul Merski present Tax Freedom Day for 1991. This popular measure of the tax burden shows average taxpayers paying over 35 percent of their income in taxes.

Dan Witt Is Foundation's New Executive Director

Dan Witt, vice president of the Tax Foundation since 1989, will assume the day-to-day leadership of the organization as its executive director.

Prior to joining the Tax Foundation, Mr. Witt was Director of Membership with Citizens for a Sound Economy, a 250,000-member Washington-based public interest group. He received his MBA from Western Michigan University.

Mr. Witt replaces Wayne Gable who has served as the Foundation's president since September 1989.

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